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REVENUE
COMPARISON OF BUDGETED FISCAL YEAR 2000-2001
TO TOTAL RECOMMENDED FISCAL YEAR 2001-2002
(INCLUSIVE OF DOUBLE COUNTED EXPENDITURES)

Means of Financing & Table of Organization	As of 12-15-00 Existing Operating Budget 2000-2001	Total Recommended 2001-2002	Total Recommended Over/(Under) E.O.B.
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GRAND TOTAL DEPARTMENT OF REVENUE

General Fund	\$16,251,020	\$25,087,832	\$8,836,812
Interagency Transfers	\$407,847	\$283,109	(\$124,738)
Fees and Self Gen.	\$58,008,658	\$45,134,014	(\$12,874,644)
Statutory Dedications	\$710,913	\$610,913	(\$100,000)
Interim Emergency B.	\$0	\$0	\$0
Federal	\$274,000	\$252,000	(\$22,000)
TOTAL	\$75,652,438	\$71,367,868	(\$4,284,570)
T. O.	1,018	1,020	2

440 - Office of Revenue

> **TAX COLLECTION PROGRAM:** Comprises the entire tax collection effort of the office, which is organized into four major divisions and an Office of Legal Affairs. The Office of Management and Finance handles accounting, support services, human resources management, information services, and internal audit; Tax Administration Group I is responsible for collection, operations, personal income tax, sales tax, post processing services, and taxpayer services; Tax Administration Group II is responsible for audit review, research and technical services, excise taxes, corporation income and franchise taxes, and severance tax; Tax Administration Group III is responsible for field audit services, district offices, regional offices, and special investigations.

General Fund	\$14,469,627	\$23,161,242	\$8,691,615
Interagency Transfers	\$99,810	\$133,146	\$33,336
Fees and Self Gen.	\$52,409,785	\$40,137,774	(\$12,272,011)
Statutory Dedications	\$50,000	\$50,000	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$50,000	\$50,000	\$0
TOTAL	\$67,079,222	\$63,532,162	(\$3,547,060)
T. O.	883	883	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Non-recurring adjustment for partial reduction in funding for the Tax Reengineering Project, Master File Cleaning, Electronic Online Filing, and Tax Return Remittance processing system for contracts that have been completed (-\$377,316 State General Fund; -\$5,759,155 Fees and Self-generated Revenues; TOTAL -\$6,136,471)

Means of financing substitution - replacing Fees and Self-generated Revenues with State General Fund for operational support in the Tax Collection Program (\$7,100,000 State General Fund, -\$7,100,000 Fees and Self-generated Revenues)

Funding provided for information technology associated with the move to the LaSalle Building in FY 2000 (\$1,162,711 State General Fund)

Rent in state-owned buildings (\$1,139,991 State General Fund)

Funding provided for building lease in the Dallas and Houston District Offices with Department of Natural Resources (\$33,336 Interagency Transfers; \$61,951 Fees and Self-generated Revenues; TOTAL \$95,287)

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Reduce Fees and Self-generated Revenues to anticipated level of collections (-\$3,000,000 Fees and Self-generated Revenues)

Non-recurring carry forward for the Tax Return Remittance System (-\$1,284,155 Fees and Self-generated Revenues)

Risk Management Adjustment (-\$165,947 Fees and Self-generated Revenues)

Funding provided for third payment of a four year contract for the main computer frame that is needed for the reengineering of the tax system (\$1,645,797 Fees and Self-generated Revenues)

Funding provided for convenience fee due to taxpayers payment of taxes by credit card (\$1,447,418 Fees and Self-generated Revenues)

Funding adjustment necessary to ensure adequate funding, with attrition, of 883 recommended positions (\$923,043 Fees and Self-generated Revenues)

Funding provided for increase in postage fee (\$706,660 Fees and Self-generated Revenues)

Acquisitions and Major Repairs (\$457,803 Fees and Self-generated Revenues)

State Treasury Fees (\$132,393 Fees and Self-generated Revenues)

OBJECTIVE: To ensure that all of the operational objectives of the department will be achieved.

PERFORMANCE INDICATORS:

Percentage of department operational objectives achieved

Number of reportable audit findings

100%	100%	0%
0	0	0

OBJECTIVE: To increase voluntary compliance with the tax laws by 1%.

PERFORMANCE INDICATORS:

Percentage of total returns scanned

Percentage of total collected from business taxpayers that is deposited electronically

Percentage of total revenue collected that is deposited within 24 hours of receipt

Average tax return processing time (in days)

Return on investment of voluntary compliance (total voluntary collections per dollar spent on nonenforcement efforts)

Percentage of error-free or undisputed individual income tax returns

Percentage of error-free or undisputed sales tax returns

Number of taxes converted to the new integrated tax system

92.4%	89.0%	-3.4%
62%	66%	4%
71.5%	71.5%	0.0%
7	7	0
\$205	\$271	\$66
90%	90.0%	0.0%
96.0%	96.0%	0.0%
Not applicable	11	Not applicable

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OBJECTIVE: To increase the costs of noncompliance for taxpayers through improved enforcement of tax laws in order to reduce intentional noncompliance by 2%.

PERFORMANCE INDICATORS:

Percentage of in-state business accounts audited
 Percentage of out-of-state business accounts audited
 Total field audit collections
 Field audit collections as a percentage of audit findings
 Number of new audit cases received
 Number of audit cases closed
 Return on investment of enforcement (total involuntary collections per dollar spent on enforcement efforts)
 Number of delinquent/warrant for distraint assignments
 Number of lien actions
 Number of levy actions
 Percentage of individual income taxpayers who fail to file a tax return
 Percentage of sales taxpayers who fail to file a tax return

0.65%	0.27%	-0.38%
1.20%	1.20%	0.00%
\$61,800,000	\$53,930,233	(\$7,869,767)
50%	50%	0%
1,900	1,600	(300)
2,200	1,600	(600)
\$7.20	\$5.71	(\$1.49)
281,000	250,000	(31,000)
11,500	11,500	0
103,000	78,000	(25,000)
4.4%	4.4%	0.0%
15.0%	11.5%	-3.5%

> **ALCOHOL AND TOBACCO PROGRAM:** Regulates the alcoholic beverage and tobacco industries in the state; licenses alcoholic beverage manufacturers, native wineries, retailers, and wholesalers as well as retail and wholesale tobacco product dealers; enforces state alcoholic beverage and tobacco laws.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$308,037	\$149,963	(\$158,074)
Fees and Self Gen.	\$3,532,555	\$3,916,253	\$383,698
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$224,000	\$202,000	(\$22,000)
TOTAL	\$4,064,592	\$4,268,216	\$203,624
T. O.	81	81	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Non-recurring carry forward for the statewide information repository for underage drinkers (-\$118,213 Interagency Transfers)

Acquisitions and Major Repairs (-\$45,000 Interagency Transfers; \$246,005 Fees and Self-generated Revenues; -\$22,000 Federal Funds; TOTAL \$179,005)

Risk Management Adjustment (-\$51,874 Fees and Self-generated Revenues)

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Rent in state owned buildings (\$105,645 Fees and Self-generated Revenues)

Funding provided for maintenance of automobiles (\$35,572 Fees and Self-generated Revenues)

Funding adjustment necessary to ensure adequate funding, with attrition, of 81 recommended positions (\$8,489 Fees and Self-generated Revenues)

OBJECTIVE: To reduce the average time required for taxpayers to receive alcohol and tobacco permits to 20 days.

PERFORMANCE INDICATORS:

Average time for taxpayers to receive alcohol and tobacco permits (in days)
 Total number of alcohol permits processed
 Total number of tobacco permits processed

20	20	0
30,000	30,000	0
15,000	15,000	0

OBJECTIVE: To reduce the alcohol noncompliance rate to 20% and the tobacco noncompliance rate to 8%.

PERFORMANCE INDICATORS:

Alcohol noncompliance rate
 Tobacco noncompliance rate
 Total number of compliance checks conducted
 Total number of inspections conducted

22%	20%	-2%
10%	8%	-2%
7,000	7,000	0
21,000	21,000	0

> **OFFICE OF CHARITABLE GAMING:** Licenses, educates, and monitors organizations conducting legalized gaming as a fund-raising mechanism; provides for the licensing of commercial lessors and related matters regarding electronic video bingo and progressive mega-jackpot bingo.

General Fund	\$0	\$47,931	\$47,931
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$2,066,318	\$1,079,987	(\$986,331)
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$2,066,318	\$1,127,918	(\$938,400)
T. O.	20	20	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Funding adjustment necessary to ensure adequate funding, with attrition, of 20 positions (\$24,931 State General Fund; \$6,277 Fees and Self-generated Revenues; TOTAL \$31,208)

Acquisitions and Major Repairs (\$23,000 State General Fund)

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Non-recurring adjustment for the redesigning of the data processing system to provide detail comprehensive financial information associated with licensing (-\$809,899 Fees and Self-generated Revenues)

Non-recurring carry forward for the completion of the Unisys Installation Services to implement the networked PC-based administrative and collection system (-\$80,550 Fees and Self-generated Revenues)

Reduce anticipated level of collections (-\$75,000 Self-generated Revenues)

OBJECTIVE: To conduct 190 inspections and 68 audits.

PERFORMANCE INDICATORS:

Number of inspections conducted

Number of audits conducted

Number of investigations conducted

275	190	(85)
65	68	3
75	75	0

TOTAL OFFICE OF REVENUE

General Fund	\$14,469,627	\$23,209,173	\$8,739,546
Interagency Transfers	\$407,847	\$283,109	(\$124,738)
Fees and Self Gen.	\$58,008,658	\$45,134,014	(\$12,874,644)
Statutory Dedications	\$50,000	\$50,000	\$0
Interim Emergency B	\$0	\$0	\$0
Federal	\$274,000	\$252,000	(\$22,000)
TOTAL	\$73,210,132	\$68,928,296	(\$4,281,836)
T. O.	984	984	0

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441 - Louisiana Tax Commission

> **PROPERTY/TAXATION REGULATORY OVERSIGHT PROGRAM:** Reviews and certifies the various parish assessment rolls, and acts as an appellate body for appeals by assessors, taxpayers, and tax recipient bodies after actions by parish review boards; provides guidelines for assessment of movable property; reviews appraisal or assessments and where necessary modifies (or orders reassessment) to ensure uniformity and fairness. Assesses all public service property, as well as valuation of stock values for banks and insurance companies, and provides assistance to assessors.

General Fund	\$1,781,393	\$1,878,659	\$97,266
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$610,913	\$510,913	(\$100,000)
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$2,392,306	\$2,389,572	(\$2,734)
T. O.	34	36	2

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Acquisitions and Major Repairs (-\$6,636 State General Fund)

Funding and additional T.O. provided for two tax commission specialists in the Public Service Division (\$85,300 State General Fund)

Funding provided for computer maintenance and the biennial report (\$13,700 State General Fund)

Funding adjustment necessary to ensure adequate funding, with attrition, of all 36 recommended positions (\$4,812 State General Fund)

Risk Management Adjustment (\$845 State General Fund)

Reduction in attorney fees due to suits that were settled (-\$100,000 Statutory Dedications)

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OBJECTIVE: To hear 100% of all protest hearings within the tax year in which the protest was filed.

PERFORMANCE INDICATOR:

Percentage of protest hearings completed within the tax year in which the protest was filed

100%	100%	0%
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OBJECTIVE: To conduct all bank and insurance company assessments, public utility company appraisals and assessments, and tax roll certification activities necessary to support local tax collection.

PERFORMANCE INDICATORS:

Percentage of banks and insurance companies assessed

Percentage of tax rolls certified before November 15th each year

Percentage of public utility companies appraised and assessed

100%	100%	0%
100%	100%	0%
100%	100%	0%

OBJECTIVE: To conduct appraisals throughout the state to assist local assessors.

PERFORMANCE INDICATOR:

Total number of property appraisals conducted

6,000	6,000	0
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> **SUPERVISION AND ASSISTANCE TO LOCAL ASSESSORS PROGRAM:** Responsible for providing computer assistance to parish assessors to improve productivity through use of electronic filing and communication with the Louisiana Tax Commission.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$50,000	\$50,000	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$50,000	\$50,000	\$0
T. O.	0	0	0

OBJECTIVE: To implement the electronic filing of tax documents that parish assessors must file with the Louisiana Tax Commission by establishing electronic links between the commission and at least 50% of parish assessors.

PERFORMANCE INDICATORS:

Number of assessors linked electronically

Number of assessors filing tax rolls electronically

Number of assessors filing change orders electronically

40	32	(8)
20	32	12
40	35	(5)

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Means of	As of 12-15-00		Total Recommended Over/(Under) E.O.B.
Financing	Existing	Total	
&	Operating	Recommended	
Table of	Budget	2001-2002	
Organization	2000-2001		

TOTAL LOUISIANA TAX COMMISSION

General Fund	\$1,781,393	\$1,878,659	\$97,266
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$660,913	\$560,913	(\$100,000)
Interim Emergency B	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$2,442,306	\$2,439,572	(\$2,734)
T. O.	34	36	2